

WHAT IS CLAIMED IS:

1. A method for providing an insured result for a Section 1031 exchange, said method comprising providing a taxpayer with insurance that at least a portion of any tax, penalty and interest assessed as a result of said taxpayer's Section 1031 exchange being disallowed will be paid to said taxpayer.

2. The method of claim 1 further comprising qualifying said taxpayer for insurance coverage by obtaining information relating to said Section 1031 exchange.

3. The method of claim 2 wherein said information includes information pertaining to the properties to be exchanged under said Section 1031 exchange.

4. The method of claim 2 further comprising requiring said taxpayer to provide information relating to said Section 1031 exchange in affidavit form.

5. The method of claim 4 further comprising conditioning payment of said insurance on the veracity and completeness of information provided by said taxpayer.

6. The method of claim 1 wherein qualifying a taxpayer for insurance coverage includes determining that said Section 1031 exchange meets applicable exchange safe harbors.

7. The method of claim 1 wherein insuring said taxpayer against said Section 1031 exchange being disallowed includes obtaining insurance underwriting from an insurance carrier.

8. The method of claim 7 wherein insuring said taxpayer against said Section 1031 exchange being disallowed includes providing said taxpayer with a certificate of indemnification.

9. A method for providing an insured result for a Section 1031 exchange, said method comprising:

qualifying a taxpayer for insurance coverage;
insuring said taxpayer against said Section 1031 exchange being disallowed; and
providing a payment to said taxpayer if said Section 1031 exchange is disallowed.

10. The method of claim 9 wherein said payment includes at least a portion of any tax, penalty and interest assessed as a result of said taxpayer's Section 1031 exchange being disallowed.

11. The method of claim 9 wherein qualifying a taxpayer for insurance coverage includes obtaining information relating to said Section 1031 exchange.

12. The method of claim 11 wherein said information includes information pertaining to the properties to be exchanged under said Section 1031 exchange.

13. The method of claim 11 further comprising requiring said taxpayer to provide information relating to said Section 1031 exchange in affidavit form.

14. The method of claim 13 further comprising conditioning said payment on the veracity and completeness of information provided by said taxpayer.

15. The method of claim 9 wherein qualifying a taxpayer for insurance coverage includes determining that said Section 1031 exchange meets applicable exchange safe harbors.

16. The method of claim 9 wherein insuring said taxpayer against said Section 1031 exchange being disallowed includes obtaining insurance underwriting from an insurance carrier.

17. The method of claim 16 wherein insuring said taxpayer against said Section 1031 exchange being disallowed includes providing said taxpayer with a certificate of indemnification.

18. A method of facilitating a Section 1031 exchange for a taxpayer, said method comprising:

serving as a qualified intermediary for said Section 1031 exchange;

insuring said taxpayer against said Section 1031 exchange being disallowed by the Internal Revenue Service; and

providing a payment to said taxpayer if the Internal Revenue Service disallows said Section 1031 exchange.

19. The method of claim 18 further comprising qualifying said taxpayer for insurance coverage by obtaining information relating to said Section 1031 exchange.

20. The method of claim 19 wherein said information includes information pertaining to the properties to be exchanged under said Section 1031 exchange.

21. The method of claim 19 further comprising requiring said taxpayer to provide information relating to said Section 1031 exchange in affidavit form.

22. The method of claim 21 further comprising conditioning said payment on the veracity and completeness of information provided by said taxpayer.

23. The method of claim 18 wherein qualifying a taxpayer for insurance coverage includes determining that said Section 1031 exchange meets applicable exchange safe harbors.

24. The method of claim 18 wherein insuring said taxpayer against said Section 1031 exchange being disallowed includes obtaining insurance underwriting from an insurance carrier.

25. The method of claim 24 wherein insuring said taxpayer against said Section 1031 exchange being disallowed includes providing said taxpayer with a certificate of indemnification.

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